NTC during the last five years is given below:—

Year	Net loss (Rs crores)
1983—84	158.28
1984—85	204.26
1985—86	151.17
1986—87	214 00
1987—88	261.60
	989.60

(b) The number of mills, which reported net profit/net loss during the current year, *i.e.*, 1988-89 (April—December, 1988) is given below:—

Number of total units in Operation—122.

No. of profit making units—3

No. of loss making units—119.

(c) NTC has recently formulated a turn-around strategy based *inter-alia* on selective modernisation, upgradation of product mix, rationalisation of excess work force on the basis of voluntary retirements, for improving the performance of the losing units.

Restrictions on Credit Refinancing by the Kerala State Agricultural Development Banks

*129. SHRI N. E. BALARAM:

SHRI CHATURANAN MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that NABARD has imposed certain restrictions or refinancing the credit extended by the Kerala State Agricultural Development Bank;

(b) if so, what are the details thereof and what are the reasons therefor;

(c) whether Government are aware that this step has crippled the economy of the State in general and the agricultural sector in particular; and

(d) if so, what is Central Government's reaction thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d) The availment of refinance facilities from National Bank for Agriculture and Rural Development (NABARD) by all participating banks including Kerala State Cooperative Agriculture Development Bank (KSCABD) is subject to adherence to instructions issued by RBI/NABARD in regard to issue and repayment of loans, interest rates, conversion/reschedulement etc. NABARD has reported that since KSCABD was implementing an interest subsidy scheme in violation of interest structure stipulated by RBI, a decision was taken to discontinue the refinance unless a written undertaking was given by KSCABD to abide by RBI guidelines. Since now KSCABD has given such an undertaking the bank may not face any difficulty in availment of NABARD refinance facilities on this count.

Clearance of Polavaram Project in Andhra Pradesh

*130. PROF. C. LAKSHMANNA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether there is any inter-State wrangle in the clearance of Polavaram Project pending clearance with the Central Government for quite some time though there had been many reminders from the Andhra Pradesh Government for its clearance; and

(b) if so, what are the details thereof and by when it is likely to be cleared?

THE MINISTER OF LAW AND JUSTICE AND THE MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): (a) and (b) Polavaram Project involves submergence of forest and lands and villages from Orissa, Madhya Pradesh and Andhra Pradesh. The State Government has not sent the modified project report correcting the deficiencies including water availability, pointed out by the Central Water Commission.

Policy for supplying Potassium Penicilin-V to 6-APA Products

@*131. SHRI RAM NARESH YADAV: Will the Minister of COMMERCE be pleased to state:

(a) what was the policy relating to supply of Potassium Penicillin-V to 6-APA producers in March, 1988, May; 1988 and October, 1988;

(b) what are the reasons for making frequent policy changes; and

(c) which authority approved these changes?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) Under the current Import and Export Policy, announced on 30th March, 1988, and made effective from 1-4-1989, the item "Pencillin in all forms including Benzathine Pencillin" is in the Restricted List and its import is permissible only against supplementary licences granted by the Chief Controller of Imports & Exports, New Delhi. There has been no change in the Import Policy for this item.

(b) and (c) Do not arise.

@Previously Starred Question 71, transferred from the 27th February, 1989.

Investment Policy of IDBI

*132. SHRIMATI RENUKA CHOWDHURY: Will the Minister of FINANCE be pleased to state:

(a) whether the IDBI is giving a fresh look to its investment policy and is resuming the financing of projects in certain sectors like cement and paper;

(b) if so, what are the details thereof;

(c) what are the new findings by IDBI in this regard; and

(d) to what extent this will help in improving the cement and paper industry?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d) Presently, IDBI and other all-India term lending institutions are not extending direct finance for grass root cement projects and general expansion of cement projects at new locations. Institutions, however, do consider on selective basis proposals for expansion at the same location as may ensure better economy of scale or increase capacity by technological improvements. Financial institutions have also undertaken a review to see whether any change is necessary in their existing policy.

As regards paper industry, IDBI is not for the present extending any direct finance to new projects for manufacture of cultural and industrial varieties of paper and proposes to maintain this policy for the time being. However, cases of expansion|modernisation are supported on merits. Creation of additional capacity based on renewal agro-based raw materials is also encouraged.